

Greetings Mr. Secretary,

My name is Melvin Schramm and I am the President of the National Farm Marketing Board. The National Farm Marketing Board is a farmer owned cooperative whose sole purpose is to improve farm income from the marketplace.

Our plan is to establish a single-desk marketing authority for each commodity if a majority of producers of that commodity approves. As a single-desk marketing authority we would implement a supply management program and set prices at approximately 65% of parity. You will notice I did not say supply controls but supply management. We will establish a farmer owned grain reserve with no cost to the government.

I'm glad you came to North Dakota to see and hear first hand what is happening in our state as well as across the nation.

The philosophy of our land grant colleges has emptied out much of rural America. We as farmers accepted their advice to get bigger and more efficient so we could sell for less. The result is that we here in ND have lost 90% of the dairymen in the last 10 years, nationally we have lost 45% of the dairy farmers. Our grain farms have almost doubled in size and very few young people can start to farm because of the high cost. Our fore fathers left a legacy of building communities, schools, churches and active small towns. Today farmers will leave a legacy of closed schools, closed churches and ruined rural communities. All because of low commodity prices.

Mr. Secretary, you are looking at the best producers of the world but you are also looking at some of the worst marketers in the world.

As an example this spring we had farmers in this area plant their wheat with a \$150,000 air seeder pulled by a \$100,000 tractor with GPS, applying \$400 a ton anhydrous, paid record prices for their chemicals and will now will now harvest with a \$200,000 combine, dump the grain in a huge grain cart pulled by a large four-wheeled drive tractor that will then fill a Semi at the end of the field and haul the grain to a local elevator, where the price yesterday was \$3.01 bu. what an insult! But what can we expect when we ask "what will you give me".

While our governor says the state is in good shape he has asked for and received a disaster declaration every year he has been in office. The last 2 years we have had farmers with 50 to 60 bushel per acre wheat yield and get disaster aid for some other crops.

Our producer groups and Farmers Union argue who should get credit for the amount of disaster aid for ND. But not one of them does a thing to get better market prices for our commodities.

Our producer groups say building ethanol, bio-diesel plants, CAFTA and NAFTA will give us access to more markets. We don't need any more new markets that will pay us less than the cost of production. Durum growers built the third largest pasta plant in the US in Carrington, ND and it never improved the price of durum a dime. By the way, this is the only value added plant in ND that survived more than 2 years.

The corn producers, for example, say building an ethanol plant in their area will add 10 to 20 cents a bushel to their price for corn, but in the last 2 years the cost to produce corn has gone up 25%. Mr. Secretary, as long as the government will spend billions of dollars to supplement the income of farmers they won't try to get better prices.

NFMB wants to enroll 60% of the producers of each commodity and then we would petition the Secretary of Agriculture to hold a referendum so the producers themselves can vote if they want a single desk authority if it passes by a simple majority it will be mandatory for all producers of

that commodity with a few exceptions. Our price goals are 65% of parity or about \$6 bu wheat, \$9 bu soybeans, \$4 bu corn, \$20 cwt milk and \$105 cwt fat cattle. By getting more dollars from the market place the rural economies will grow, there will be more jobs, more taxes to help the state and federal economy and lower the national debt all at the same time.

I suggest the next farm bill eliminate the direct payment to farmers, eliminate the market loss program for milk, keep the CCC loan program and conservation programs. If enough side with the NFMB there will be no need for LDP or counter cyclical payments saving the federal government billions of dollars.

One thing more Mr., Secretary, the USDA is spending millions of dollars for an animal ID system that the farmers will pay for. The farmer and ranchers will have to register their operations, identify every calf at birth and maintain records while USDA is afraid to tell the packers and food retailers to label what countries their meat is from.

When the 2002 farm bill was passed and signed into law it included implementation of COOL. Since no one in this administration has the guts to stand up to the meat packers and food retailers COOL has been postponed. Since you are the representative for agriculture it is your responsibility to get COOL implemented. Why worry about a new farm bill if we don't implement the current one.

Thank you again Mr. Secretary for coming to ND.

Sincerely,
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